



Reprinted
February 27, 2001

HOUSE BILL No. 1054

DIGEST OF HB 1054 (Updated February 26, 2001 10:51 PM - DI 71)

Citations Affected: IC 27-4.

Synopsis: Claims for unfair claim settlement practices. Provides that a cause of action for an unfair claim settlement practice may not be commenced until 90 days after a specific complaint has been filed with the commissioner of the department of insurance and applicable appeals and administrative procedures have been exhausted. Specifies that resolution of the complaint filed with the commissioner is not necessary before a cause of action is filed if the other requirements are met.

Effective: July 1, 2001.

Stilwell, Dillon

January 8, 2001, read first time and referred to Committee on Insurance, Corporations and Small Business.

February 21, 2001, amended, reported — Do Pass.

February 26, 2001, read second time, amended, ordered engrossed.

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HB 1054—LS 6069/DI 69+



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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1054

A BILL FOR AN ACT to amend the Indiana Code concerning civil law and procedure.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 27-4-1-18 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 18. **(a) Except for a**
3 **cause of action for an unfair claim settlement practice specified in**
4 **section 4.5 of this chapter**, this article does not create a cause of
5 action other than an action by:
6 (1) the commissioner to enforce ~~his~~ **the commissioner's** order; or
7 (2) a person, as defined in section 1 of this chapter, to appeal an
8 order of the commissioner.
9 **(b) A cause of action for an unfair claim settlement practice**
10 **specified in section 4.5 of this chapter may not be commenced until:**
11 **(1) the complaining party files a complaint that specifies the**
12 **unfair claim settlement practice complained of with the**
13 **commissioner under section 5.6 of this chapter;**
14 **(2) not less than ninety (90) days have passed since the**
15 **complaint was filed under subdivision (1);**
16 **(3) any applicable appeals procedures, including the appeals**
17 **procedures required under IC 27-8-17, IC 27-13-10, and**

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1 **IC 27-13-10.1 have been exhausted; and**

2 **(4) any additional administrative remedies have been**
3 **exhausted.**

4 **However, the complaining party may commence a cause of action**
5 **before the complaint filed under subdivision (1) is resolved by the**
6 **commissioner if at least ninety (90) days have passed since the**
7 **complaint was filed and the appeals procedures under subdivision**
8 **(3) have been exhausted.**

9 **(c) This section does not prohibit the commencement of any**
10 **other cause of action of an insured.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1054, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 2, delete "This" and insert "**Except for a cause of action arising from an unfair claim settlement practice specified in section 4.5 of this chapter**, this".

Page 1, line 4, reset in roman "or".

Page 1, line 6, delete "; or" and insert ".".

Page 1, delete lines 7 through 17.

Delete page 2.

and when so amended that said bill do pass.

(Reference is to HB 1054 as introduced.)

CROOKS, Chair

Committee Vote: yeas 8, nays 6.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1054 be amended to read as follows:

Page 1, line 2, after "18." insert **"(a)"**.

Page 1, line 3, delete "arising from" and insert **"for"**.

Page 1, after line 8, begin a new paragraph and insert:

"(b) A cause of action for an unfair claim settlement practice specified in section 4.5 of this chapter may not be commenced until:

(1) the complaining party files a complaint that specifies the unfair claim settlement practice complained of with the commissioner under section 5.6 of this chapter;

(2) not less than ninety (90) days have passed since the complaint was filed under subdivision (1);

(3) any applicable appeals procedures, including the appeals procedures required under IC 27-8-17, IC 27-13-10, and IC 27-13-10.1 have been exhausted; and

(4) any additional administrative remedies have been exhausted.

However, the complaining party may commence a cause of action before the complaint filed under subdivision (1) is resolved by the commissioner if at least ninety (90) days have passed since the complaint was filed and the appeals procedures under subdivision (3) have been exhausted.

(c) This section does not prohibit the commencement of any other cause of action of an insured."

(Reference is to HB 1054 as printed February 22, 2001.)

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